

## Message Text

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ORIGIN EB-07

INFO OCT-01 ARA-10 ISO-00 TRSE-00 AS-01 XMB-04 OMB-01  
CIAE-00 INR-07 NSAE-00 COME-00 FRB-01 AID-05 L-03  
/040 R

DRAFTED BY:H.VON BREDOW  
APPROVED BY:EB/IFD/ODF FRANK H.THOMAS  
ARA/ECA T.H.SHUGART(INFO)

-----060533Z 087055 /20

R 060002Z JAN 77  
FM SECSTATE WASHDC  
TO AMEMBASSY BRASILIA  
INFO AMCONSUL RIO DE JANEIRO  
AMCONSUL SAO PAULO

UNCLAS STATE 002316

ATTN: M. CIRO DEFALCO, TREASURY ATTACHE

E.O. 11652: N/APPLTAGS: BPRO  
SUBJECT: COOPERATIVE FINANCING FACILITY, REVISED REPAYMENT TERMS

1. FOLLOWING TELEX IS BEING SENT TO BANCO CENTRAL DE BRASIL,  
ATTN. MR. A. DE PADUA SEIXAS, MGR. FIERCE DEPT. QUOTE: THANK  
YOU FOR YOUR TELEX OF DECEMBER 17, 1976 REGARDING THE PROPOSED  
CHANGE IN INTEREST RATE ON PROMISSORY NOTE "B". WE ARE LOOKING  
FORWARD TO RECEIVING YOUR COMMENTS AS SOON AS POSSIBLE.

WE ALSO WISH TO ADVISE YOU THAT WE HAVE SENT THE FOLLOWING  
TELEX TO ALL BANKS WORLDWIDE WITH ACTIVE COOPERATIVE FINANCING  
FACILITY.

QUOTE: PLEASE BE ADVISED THAT THE REPAYMENT TERMS FOR NEW CFF  
EXPORT LOAN REQUESTS RECEIVED BY EXIMBANK ON OR AFTER JANUARY  
15, 1977, ARE HEREBY REVISED AS FOLLOWS:

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CONTRACT PRICE	CREDIT PERIOD
UP TO \$50,000	UP TO 2 YEARS
\$50,000 TO \$100,000	UP TO 3 YEARS
\$100,000 TO \$200,000	UP TO 4 YEARS
OVER \$200,000	UP TO 5 YEARS

THE REPAYMENT TERMS WHICH ARE PRESENTLY IN EFFECT WILL CON-  
TINUE TO BE IN EFFECT FOR ALL EXPORT LOAN REQUESTS RECEIVED

BEFORE JANUARY 15, 1977. ADDITIONALLY FINAL APPROVALS OF ALL EXPORT LOANS WHICH HAVE RECEIVED PRELIMINARY APPROVAL PRIOR TO JANUARY 15, 1977, WILL BE HONORED WITH THE REPAYMENT TERMS PRESENTLY IN EFFECT IF CONVERTED TO FINAL APPROVAL WITHIN 90 DAYS AFTER THE DATE OF PRELIMINARY APPROVAL. UNQUOTE

THESE REVISED CREDIT PERIODS, DEPENDING ON THE AMOUNT OF THE CONTRACT PRICE, WILL ALSO APPLY TO NEW CFF EXPORT LOANS BRAZIL AS WELL AS OTHER U.S. EXPORT SALES SUPPORTED UNDER EXIMBANK'S OTHER PROGRAMS.

IN LINE WITH OTHER BERNE UNION MEMBERS, THE REPAYMENT TERMS FOR BREEDING AND DAIRY CATTLE WERE REVISED THIS PAST JULY AS FOLLOWS:

CONTRACT PRICE	REPAYMENT TERMS
UP TO \$150,000	UP TO 2 YEARS
OVER \$150,000	UP TO 3 YEARS

WE DID NOT INFORM YOU OF THIS CHANGE BECAUSE WE HAVE HAD VERY FEW FINANCING TRANSACTIONS OF BREEDING AND DAIRY CATTLE FOR BRAZIL OR TO OTHER COUNTRIES AROUND THE WORLD UNDER THE CFF PROGRAM.

REPAYMENT TERMS ON SALES TO DISTRIBUTORS REMAIN UNCHANGED AS TO THE MAXIMUM 3 YEAR CREDIT PERIOD. HOWEVER, THE REVISED CONTRACT PRICES WILL ALSO GOVERN THE MAXIMUM CREDIT PERIODS THAT WE CAN AUTHORIZE UP TO 3 YEARS.

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I AM PLANNING TO VISIT BRAZIL LATE JANUARY, EARLY FEBRUARY 1977 AND AM LOOKING FORWARD TO MEETING YOU TO DISCUSS THE RECENT CHANGES IN EXIMBANK'S CFF PROGRAM AS WELL AS OUR PROBLEMS WITH BAMERINDUS. I WILL ASK MR. CIRO DEFALCO OF THE AMERICAN EMBASSY TO ARRANGE A MUTUALLY CONVENIENT DAY AND TIME AS SOON AS I HAVE ESTABLISHED BY DEFINITE TRAVEL PLANS. UNQUOTE.

2. AS SOON AS MY TRAVEL PLANS HAVE BEEN FINALIZED I WILL NOTIFY AMEMBASSY AND WOULD APPRECIATE IF YOU COULD ARRANGE MEETING WITH MR. SEIXAS AND OTHER OFFICIALS.

3. STATE TELEGRAM 305344 SHOULD HAVE READ IN PARAGRAPH 2 OF TELEX TO SEIXAS 3/4 OF 1 PERCENT AND NOT 3/4 TO 1 PERCENT.

APPROVED: ARTHUR PILZER, DEPUTY VICE PRESIDENT BANK CREDITS  
KISSINGER

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## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01-Jan-1994 12:00:00 am  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
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**Copy:** SINGLE  
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**Disposition Approved on Date:**  
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**Drafter:** H.VON BREDOW  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
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**Office:** ORIGIN EB  
**Original Classification:** UNCLASSIFIED  
**Original Handling Restrictions:** n/a  
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**Review Release Event:** n/a  
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**Status:** NATIVE  
**Subject:** COOPERATIVE FINANCING FACILITY, REVISED REPAYMENT TERMS  
**TAGS:** BPRO, EFIN, BR, US, (DE PADUA SEIXAS, A)  
**To:** BRASILIA  
**Type:** TE  
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**Review Markings:**  
Margaret P. Grafeld  
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